

MARYLAND HEALTH CARE COMMISSION

UPDATE OF ACTIVITIES

September 2004

DATA SYSTEMS & ANALYSIS

Maryland Trauma Physician Services Fund

Six trauma centers and 27 physician groups submitted applications to the Fund for the period of April 1st through June 30th, 2004 which was due to the MHCC on July 31, 2004. Applications were uploaded electronically or manually entered into MHCC's Trauma Fund Payment Calculator. Applicants were mailed a detailed payment report for tracking in their accounting systems. Applications approved for payment were forwarded to the MHCC administrative unit that submits the paperwork to the Office of the Comptroller. Staff anticipates that applicants will receive funds in approximately four weeks.

MHCC has prepared a report to the General Assembly documenting the Fund balance and disbursement process during the first year of operation. That report is included in the MHCC mailing.

The Fund's auditor, Clifton-Gunderson, LLP, completed the on-call audits for trauma centers that submitted an application to the Fund during the first period. Adjustment letters were mailed to trauma centers where discrepancies were identified. Trauma centers have fifteen days to respond to an adjustment letter. MHCC will process adjustments in the form of a reduction of payment in future reporting cycles. Clifton-Gunderson, LLP initiated contact with uncompensated care applicants chosen for an audit from the first period. The auditor anticipates completing uncompensated care audits in late September.

Last month, staff received the second quarter limited data set from the Maryland Institute for Emergency Medical Services Systems (MIEMSS). Staff uses this information to verify patients listed on the uncompensated care application are reported on the Maryland Trauma Registry. Reconciling the Maryland Trauma Registry against uncompensated care applications from the second period is expected to be completed in early September.

Data Base and Application Development

Maryland Long-Term Care Survey 2003

The Commission released the 2003 survey on July 21st. The survey staff launched the survey one month earlier than last year because long term care facilities stated that the survey would be easier to complete if it was released earlier in the year. The deadline for completion of the survey is September 20th. As of September 2nd, 33 percent of facilities had submitted their survey to MHCC. Table 1 presents survey status as of September 2, 2004.

Facilities have grown increasingly confident about completing the survey. In 2004, 44 facilities requested survey training down approximately 25 percent from 2003. Call and e-mail requests for assistance are significantly down from last year's survey. The survey administration staff expects that most facilities will have no trouble completing the survey within the allotted timeframe. Growing familiarity does not translate into willingness to complete the survey earlier

and most facilities still wait until the last two weeks before the deadline to complete the survey. The survey administration staff expects that most reasonably well-organized facilities can complete the survey in about two hours. The survey staff is examining approaches that would encourage facilities to submit earlier, thus reducing workflow issues at MHCC during the last ten days of the survey.

Table 1 -- 2003 LONG TERM CARE SURVEY TRACKING 9/2/2004					Start Date		7/21/2004	
					Days Left		18	
					Ending Date		9/20/2004	
Tracking	All	Comp	Assisted	Comp/Assist	Adult	Extended	Subacute	Chronic
Not Started	162 23 %	22 10 %	112 33 %	2 15 %	25 22 %	0 0 %	0 0 %	1 14 %
In Progress	254 36 %	87 41 %	114 34 %	8 62 %	36 31 %	1 50 %	6 46 %	2 29 %
Completed and Under Review	8 1 %	2 1 %	4 1 %	0 0 %	2 2 %	0 0 %	0 0 %	0 0 %
Rejected and Being Corrected	41 6 %	19 9 %	16 5 %	0 0 %	2 2 %	1 50 %	1 8 %	2 29 %
Corrected and Under Review	7 1 %	3 1 %	3 1 %	1 8 %	0 0 %	0 0 %	0 0 %	0 0 %
Completed and Accepted	231 33 %	81 38 %	90 27 %	2 15 %	50 43 %	0 0 %	6 46 %	2 29 %
Total Surveyed	703	214	339	13	115	2	13	7
Exempted	6	0	1	0	0	0	5	0
Total LTC Facilities	709	214	340	13	115	2	18	7

Medical Care Data Base (MCDB) 2003

Social and Scientific Systems (SSS), the MHCC contractor, continued to work with contributing payers on the Calendar Year 2003 data submission. A large portion of SSS and staff support to this year's payers was directed towards the correlation of services across the encounter, pharmacy and provider directory files. These data will be used with legislatively mandated reports on physician expenditures and with the special study on drivers of health care spending mandated in SB 131. The overall quality of the 2003 payer submissions has been good, with only four companies resubmitting files because of irregularities.

Last month, staff met with representatives from Aetna Health Plans to review issues relating to their claims data submission. Staff provided this payer with feedback on their data submission and discussed the possibility of reporting enrollment data. Over the last several months, staff has been talking with larger payers about the impact of reporting enrollment data in future collection cycles.

Physician Web-Based License Renewal Initiative

The Commission's staff continues to support the Maryland Board of Physicians' Web-based physician renewal effort. Over 42 percent of physicians have renewed their licenses using the MHCC-developed application. The application has collected about \$2.9 million in license fees. About 40 percent of the physicians that have used the site have used the electronic payment option through the Bank of America.

Table 2 - Summary of Physician Renewal Results through September 2, 2004

Physician License Renewal Tracking				
Tracking	Today	Yesterday	Total	%
No Records			13421	
Not Logged On			7326	55 %
Logged On	56	150	6095	45 %
Completed	56	167	5584	42 %
Financial	Today	Yesterday	Total	%
Fees Collected	\$28,728	\$85,671	\$2,864,592	
Electronic Check	\$16,416 32	\$36,936 72	\$1,116,801 2177	39 %
Mail Check	\$9,747 19	\$37,962 74	\$1,277,370 2490	45 %
3rd Party Pay	\$2,565 5	\$10,773 21	\$472,473 921	16 %
Flags			Total	% of Complete
Character & Fitness			0	0 %
Health Claim Arbitration			0	0 %
Total			0	0 %

Cost and Quality Analysis

Partnership with DHMH's Diabetes Prevention & Control Program (DPCP)

A work plan for the Diabetes Control and Quality of Measurement study has been finalized. Mathematica Policy Research (MPR) began analysis of the data to assess data quality and has submitted a plan to structure and define the data analysis files that will be both used in the study and provided to MHCC at the close of the study. A few changes have been made to the original study plan so that the analysis file will be flexible enough to provide counts and measures of service use for diabetics regardless of the criteria used to define the study population, e.g., a population of Medicare beneficiaries enrolled for all twelve months of the year or a population expanded to include those who died during the year.

HRSA Grant -- State Coverage Initiatives

The data analyses funded through this grant continued through the summer. Staff from MHCC met with staff at the Agency for Health Research and Quality (AHRQ) responsible for the Employer Survey component of the Medical Expenditure Panel Survey to define our request for

special tables of information to be produced from the expanded sample we purchased with HRSA funds. The special tables will include new information, such as the availability of health insurance by firm size within industry type. There will also be some information for each of the larger counties, including Montgomery, Baltimore County, Baltimore City, and Prince Georges; information for Anne Arundel and Howard will be pooled (due to sample size). MHCC expects to receive the reports from AHRQ later this fall.

Colorectal Cancer Screening – Conference Planning

The Cancer Research and Prevention Foundation (CRPF), an independent foundation under contract to the Centers for Disease Control and Prevention (CDC), has chosen Maryland as a site to hold a Colorectal Cancer "Dialog for Action" Conference in June 2005. Dialog for Action is a one day conference where Maryland health care providers will come together to identify strategies to increase colorectal cancer screening rates in the state. The conference will offer CME and CEU credits to the providers. MHCC has agreed to participate in the planning of the conference because of our work in providing information on colorectal cancer to DHMH's Center for Cancer Surveillance and Control. Information on colorectal screening produced by MHCC staff and presented to the Commission by Dr. Dwyer will be used as a baseline for evaluating future initiatives to expand screening in the state. The CRPF grant will cover a major portion of the conference, lunch, and speakers. Attendees will be asked to pay a nominal fee to attend. Staff will serve on the planning committee and serve on a conference panel that discusses estimates of screening the state.

EDI Programs and Payer Compliance

HIPAA Awareness

Staff is revising the MHCC *Security Assessment Guide* to reflect changes in the requirements from the proposed regulations to the final regulations. The guide is intended to educate practitioners on the requirements, act as a source of information for completing a gap assessment, and aid in the development of policies and procedures. A preliminary version of the guide is under review by representatives of the EDI/HIPAA Workgroup. Staff anticipates presenting a draft version of the *Security Assessment Guide* to the EDI/HIPAA Workgroup at the October 12th meeting.

MHCC's HIPAA education and awareness initiatives continued throughout August. Over the last month, staff received approximately fifteen telephone inquiries from payers and providers requesting consultative support on the regulations. MHCC is viewed by practitioners and health care facilities as a reliable source for obtaining HIPAA information. Last month staff provided support to the following groups:

- Maryland Chiropractic Association – Manned the MHCC display booth at their summer conference, presented on the security regulations and national provider identifier.
- Maryland Optometrist Association – Provided information on the security regulations to association leadership.
- Atlantic General Hospital – Assisted in resolving coding issues related to the 835 and 837 transaction standards.
- EPIC Pharmacy – Worked with the association to finalize the MHCC presentation at their annual summer conference.
- Maryland Academy of General Dentistry – Provided content on their EDI/HIPAA billing guidelines for dentists.

- St. Agnes Hospital – Worked with the physician liaison to develop a HIPAA presentation at their fall education program.
- Western Maryland Dental Association – Developed a HIPAA awareness program for dentists attending their September meeting.
- Maryland Chapter of the National EDI Council – Met with regional dental directors to develop an EDI/HIPAA initiative.
- Ocean City Regional Practitioner HIPAA Awareness Session – Presented on the security regulations and the national provider number to physicians, dentists, and chiropractors.
- North Arundel Hospital – Presented on the security regulations to physicians and billing managers associated with the hospital.

EDI Promotions – Network Certification

Staff and the Electronic Healthcare Network Accreditation Commission (EHNAC) completed the on-site review of Protologics, a Maryland-based small business, seeking certification under the Commission's small network certification program. EHNAC will vote on accreditation in September. If Protologics is approved, staff anticipates presenting Protologics to the MHCC Commission for certification at the October meeting. EHNAC was initially unenthusiastic about establishing a small network program. Now that Maryland's program is underway, it appears that EHNAC will add a small network program to its suite of accreditation products.

During July, staff completed its review of MHCC certification documentation from MediFax, Eyefinity, and Mutual of Omaha's Medicare Crossover Clearinghouse. Staff discussed MHCC certification requirements with four interested networks: Gateway EDI, Zirmed, CareVu, and THIN.

Representatives from leading electronic prescribing networks (E-scripting) including SureScripts, WebMD, and RXHub, and EHNAC participated on a focus group to develop accreditation/certification standards for e-scripting networks. Existing Maryland law requires networks doing business in Maryland to be accredited by EHNAC or MHCC. However, existing standards are not appropriate for the e-scripting business model. Significant progress was made by the focus group in developing a core set of national accreditation/certification standards. The focus group will meet again in late September to finalize standards. These proposed standards will be circulated in the wider industry later in the fall. MHCC hopes that EHNAC would have a process in place for accrediting these organizations by early 2005. Efforts to raise awareness in the e-scripting business are just gathering steam. Later this month, EHNAC will review the standards with the National Council for Prescription Drug Programs (NCPDP)

Last month, staff met with representatives from United Healthcare, MAMSI Health Plans, and Cigna to discuss their EDI expansion initiatives. Over the last couple of months, staff has been meeting with larger payers to discuss their EDI expansion programs. Staff is currently developing an EDI Resource Guide which is scheduled for release in October. The EDI Resource Guide will include a matrix of leading payers' EDI capabilities by service type. This initiative was brought about as a result of responses to an MHCC ad hoc questionnaire where Maryland Medical Group Management Association (MGMA) members were asked to identify obstacles impacting their ability to submit claims electronically.

Last month, staff received additional information relating to the *2004 EDI Progress Report* from CareFirst of Maryland, Aetna Health Care of the Mid-Atlantic, Cigna, Kaiser Permanente, MAMSI Health Plans, and United Healthcare. COMAR 10.25.09 requires most payers doing

business in the state to annually report on their share of electronic health care transactions. Staff anticipates completing the transaction assessment analysis in September. Release of the 2004 EDI Progress Report is scheduled for November.

PERFORMANCE & BENEFITS

Benefits and Analysis

Comprehensive Standard Benefit Plan

At the May 2004 meeting, Commission staff presented the carrier financial survey for the year ending December 31, 2003 along with Mercer's analysis of proposed benefit changes to the CSHBP. The staff report and recommendations on proposed changes to the Plan will be presented at this month's meeting for a vote.

Commission staff has developed a website to be used as a guide for small business owners in their search for health insurance for their employees. This "Guide to Purchasing Health Insurance for Small Employers" is available on the Commission's website at: www.mhcc.state.md.us/smgrpmt/index.htm. Commission staff has developed a bookmark describing information available on the small group website. This bookmark has been distributed to various interested parties, such as small business associations, Chambers of Commerce, the Maryland legislature, the Department of Labor, Licensing and Regulation (DLLR), and the Department of Business and Economic Development (DBED). As a result of the initial mailing, many of these organizations have requested additional bookmarks to distribute to their constituents.

In December 2003, Congress passed the Medicare Prescription Drug, Improvement and Modernization Act, authorizing the offering of health savings accounts (HSAs) in conjunction with high deductible health plans. This product became available to small employers in Maryland effective July 1, 2004 if carriers elect to develop and market it. The CSHBP regulations have been modified to accommodate this offering during the transition period (for contracts sold between July 1, 2004 and December 31, 2004) and may have to be further modified to accommodate additional federal guidelines in the future.

The National Association of Health Underwriters (NAHU) has added a new section to its website entitled, "Understanding Health Savings Accounts." This link (<http://www.nahu.org/consumer/HSAGuide.htm>) also has been linked to the above-mentioned Commission website for small businesses.

In 2004, the Maryland General Assembly enacted SB 570, requiring the Commission to develop a Limited Health Benefits Plan (LHBP) that will be available to certain small employers beginning July 1, 2005. Commission staff has organized a work plan for this project. To date, two meetings of interested parties have been held. Staff will present a draft of the proposed LHBP at the October or November Commission meeting.

The 2004 General Assembly also enacted SB 131, requiring the Commission and the Maryland Insurance Administration (MIA) to conduct a study of the affordability of private health insurance in Maryland. An interim report, including findings and recommendations from the study, is due by January 1, 2005. The final report is due by January 1, 2006.

Evaluation of Mandated Health Insurance Services (2003)

In November 2003, the *Annual Mandated Health Insurance Services Evaluation* (as required under Insurance Article § 15-1501, *Annotated Code of Maryland*) was released for public comment. The Commission's consulting actuary, Mercer, evaluated two stakeholder-requested mandates as to their fiscal, medical and social impact. No public comments were received; however, a subsequent meeting with one of the requesting legislators led to an alternative request for analysis. This subsequent analysis was produced as an addendum to the current report. At the December 2003 meeting, the Commission approved the current report for release to the legislature. The final report can be found on the Commission's website.

The 2003 General Assembly passed HB 605, "Evaluation of Mandated Health Insurance Services." As a result, § 15-1502 of the Insurance Article of the *Code of Maryland* was repealed; therefore, the Commission is no longer responsible for conducting a full review of each existing mandate if the 2.2-percent affordability cap is exceeded. However, § 15-1501 remains in effect, which requires the Commission to assess the fiscal, medical, and social impact of any mandates proposed by the General Assembly along with any other requests submitted by legislators as of July 1. Additionally, HB 605 reestablished § 15-1502, requiring the Commission to evaluate all existing mandates every four years in terms of the following: (1) an assessment of the full cost of each existing mandate as a percentage of Maryland's average annual wage, as a percentage of individual premiums, and as a percentage of group premiums; (2) an assessment of the degree to which an existing mandate is covered by self-insured plans; and (3) a comparison of Maryland mandates to those provided in Delaware, the District of Columbia, Pennsylvania, and Virginia based on number of mandates, type of mandate, the level and extent of coverage for each mandate, and the financial impact of differences in level of coverage for each mandate.

The final report that was submitted to the legislature in January 2004 is available on the Commission's website.

Evaluation of Mandated Health Insurance Services (2004)

Pursuant to the provisions of § 15-1501(f)(2) of the Insurance Article, Commission staff has requested that members of the House Health and Government Operations and Senate Finance Committees submit any proposals for mandated health insurance services that they would like included in the annual evaluation. As required under current law, the Commission must evaluate all mandates enacted or proposed by the General Assembly and new suggestions submitted by a member of the General Assembly by July 1 of each year. Two requests for mandate evaluation have been submitted by members of the General Assembly.

Actuarial Services Request for Proposal (RFP)

Commission staff has prepared a Request for Proposal (RFP) for actuarial consulting services. The RFP will be seeking actuarial services for two years, plus one option year. On August 23, 2004, the RFP was mailed to over twenty potential vendors. A pre-proposal conference was held on September 1st. Bids must be received by September 17, 2004.

Legislative and Special Projects

Uninsured Project

DHMH, in collaboration with the MHCC and the Johns Hopkins School of Public Health, was awarded a \$1.2 million State Planning Grant by the Health Resources and Services Administration (HRSA). HRSA is the federal agency that oversees programs to ensure access to care and improve quality of care for vulnerable populations. The one-year federal grant provides Maryland with substantial resources to examine the State's uninsured population and employer-

based insurance market and to develop new models to make comprehensive health insurance coverage fully accessible to all Maryland residents.

Among the several activities, the grant will enable DHMH and MHCC to conduct further analysis of existing quantitative data sources (Maryland Health Insurance Coverage Survey, MEPS-IC, and CPS), as well as collect additional data that will help us design more effective expansion options for specific target groups. In addition, we have conducted focus groups with employers in order to better understand the characteristics of firms not currently participating in the state's small group market. For those firms currently participating in the CSHBP, issues were probed relating to costs of coverage and knowledge of the base CSHBP. In an effort to increase the take-up rate in the small group market, marketing materials were presented to the focus groups for review and modification. Shugoll Research was selected as the vendor to conduct these focus groups. The focus groups were completed on Friday, February 14, 2003, with over 70 employers and 20 brokers participating. A report summarizing the findings from the focus groups is available through a link on the Commission's website.

A seventh meeting with the Health Care Coverage Workgroup was held on August 30, 2004. This group, appointed by the former Deputy Secretary for Health Care Financing, is comprised of members who represent the provider, business, health care advocacy, and health care research communities in the state. During the August meeting, staff from the MHCC updated the Workgroup on the development of the small group limited benefit plan. In addition, Elliot Wicks from the Economic and Social Research Institute presented findings from an analytic report titled "Tax Options to Promote the Purchase of Health Insurance." This report was conducted at the request of DHMH and MHCC staff in response to HB 967 (2004) which would have required the Commission to study and make recommendations on the use of tax incentives and penalties to increase the number of individuals who purchase health insurance. Based on recommendations from the Workgroup, the draft document is currently undergoing revision.

In addition, Alice Burton and Isabel Friedenjohn from AcademyHealth presented other state initiatives to increase the number of individuals with health insurance, and staff from DHMH presented information on Maryland's request to the federal government for a waiver to expand its primary care program. This meeting served as the last time the Workgroup would meet in a formal setting; however, it was announced that the Workgroup would convene at a later date to review the remaining projects of the HRSA State Planning Grant.

The grant team was awarded a one-year, no cost extension of the project timeline, with an interim report submitted to the Secretary of the Department of Health and Human Services (HHS) in November. DHMH has applied for another one-year, no cost extension to extend the grant activities to August 2005. During this period, DHMH will conduct a telephone survey of Medicaid recipients to clarify the discrepancy in data between the number of Medicaid enrollees listed in DHMH's administrative data and the number of Maryland Medicaid enrollees reported in the Census Bureau's Current Population Survey (CPS). MHCC staff is providing technical assistance. A final report is due to HHS at the end of the contract period. The final report must outline an action plan to continue improving access to insurance coverage in Maryland. A report outlining the options to expand coverage to Maryland's uninsured was delivered to the members of Maryland's General Assembly in February.

Patient Safety

Chapter 318 (HB 1274) of 2001 requires the Commission, in consultation with DHMH, to study the feasibility of developing a system for reducing preventable adverse medical events. A Maryland Patient Safety Coalition was initiated by the Delmarva Foundation and served as the Commission's sounding board for its activities related to patient safety. Three workgroups were formed: one to look at issues related to systems changes to be recommended; one to address current regulatory oversight and reporting requirements; and a third to discuss issues related to a proposed Patient Safety Center.

A preliminary report, approved by the Commission at the December 2001 meeting, was sent to the General Assembly. One of the preliminary recommendations has been enacted by the General Assembly and signed by the Governor. That bill removes the medical review committee statute that applies to all health care practitioners from the BPQA statute, where it is currently codified, and places it in a separate subtitle within the Health Occupations Article to make practitioners more aware of the protections available to them. It also codifies case law to clarify that certain good faith communications designed to lead to remedial action are protected even when they are not made directly to a medical review committee or committee member, but are nevertheless designed to remedy a problem under the jurisdiction of a medical review committee. The final report has been approved by the members of the Commission and was submitted to the members of the Maryland General Assembly in January. A bill was introduced in the House to grant medical review committee status to the Maryland Patient Safety Center, as designated by the Commission. This bill will grant protections against legal liability and disclosure of information. It passed out of both Houses and was signed into law by the Governor.

The Maryland Patient Safety Coalition met in January and discussed the status of various activities the Coalition is undertaking. MHCC staff is working with the Coalition on the development and implementation of several activities. In addition, Rosemary Gibson, author of *Wall of Silence*, spoke to the Coalition about the need for better communication between health care providers and patients and their family members when an adverse event or near miss occurs, and the importance of public support for patient safety. The next Coalition meeting has not been scheduled.

Commission staff released a request for proposal (RFP) to designate the Maryland Patient Safety Center (MPSC). The Maryland Hospital Association and the Delmarva Foundation have been selected to jointly develop and operate the MPSC. Both organizations have agreed to fund the Center for the first three years. The Health Services Cost Review Commission (HSCRC) recently approved funding the MPSC during its first year (\$762,500) through increased hospital rates. This amount is equivalent to fifty percent of the anticipated Center expenses, and will be used in conjunction with funding from the MHA, Delmarva, and Maryland hospitals. A press conference announcing the designation was held on June 18, 2004 in Annapolis.

2004 Legislative Session

Two bills that directly affect the Commission's activities passed this session. One bill is SB 570, "Health Insurance – Small Group Market – Limited Health Benefit Plan." This bill requires the MHCC to develop a uniform set of effective benefits to be included in a limited health benefit plan. The Limited Health Benefit Plan will be offered in the small group market. The actuarial value of the limited plan cannot exceed seventy percent of the actuarial value of the CSHBP as of January 1, 2004. Small employers that have not offered the CSHBP within the past twelve months and for which the average annual wage of the small employer's employees does not exceed 75% of the average annual wage are eligible for the limited plan. Language in the bill

requires the MHCC and the MIA ensure that the limited plan is available in the small group on July 1, 2005.

Another bill that passed requires the MHCC and the MIA to conduct a study of the affordability of private health insurance in Maryland. SB 131 and HB 845, "MHCC & MIA – Affordability of Health Insurance in Maryland – Study and Recommendations," requires the MHCC to study the factors that contribute to increases in health care costs, such as utilization and other cost drivers. An interim report is due on or before January 1, 2005 and a final report is due on or before January 1, 2006.

2005 Legislative Session

Staff is drafting a departmental bill for introduction during the 2005 legislative session to allow reasonable penalties to be applied to those entities that have failed to obtain a Certificate of Need (CON) or a required exemption when they were obligated under statute to do so and have proceeded with the project without Commission authorization. The proposed bill will also extend MHCC authority to impose reasonable penalties on entities that have received a CON but have not fulfilled required performance standards (i.e., a facility that was supposed to be constructed and operational by a certain date but has not opened, thus denying timely access to services to those in need). In addition, it will specify in law that monetary penalties imposed by the Commission may not exceed \$1000 per violation for each day the violation continues and will specify the factors used to determine the amount of any fine. Finally, the bill will increase, for hospitals only, the capital expenditure threshold that requires a CON from \$1.25 million (required to be adjusted for inflation – now stands at approximately \$1.6 million) to \$2.5 million (adjusted for inflation annually).

Facility Quality and Performance

Nursing Home Report Card

Chapter 382 (SB 740) of 1999 requires the Commission, in consultation with the Department of Health and Mental Hygiene and the Department of Aging, to develop a system to comparatively evaluate the quality of care and performance of nursing facilities. The web-based Nursing Home Performance Evaluation Guide is available through the Commission's website. The Guide includes a Deficiency Information page, data from the Minimum Data Set (MDS) and the MHCC Long Term Care Survey, as well as an advanced search capability, allowing consumers to search by facility characteristics and certain services.

In addition to indicators selected by the Maryland Nursing Home Performance Evaluation Guide Steering Committee, the site also includes the quality measures that are reported on the CMS Nursing Home Compare Website. Inclusion of this information on the Maryland site provides consumers with the ability to obtain comprehensive information in one location. The CMS measures were enhanced in January 2004 and are now consistent with the consensus recommendations from the National Quality Forum. The fourteen enhanced quality measures build on the original ten measures and provide additional information to help consumers make informed decisions. The Web site was updated with the new measures on March 15, 2004.

Evaluation of the Nursing Home Guide: On August 25, 2003, the Commission contracted with the Lewin Group to perform an evaluation of the nursing home performance evaluation guide. The purpose of this procurement was to conduct interviews with consumers and discharge planners to test the Guide in real-time with respondents using computers. The objectives of the study included: (1) evaluating consumer/professional usage, preferences, and understanding of the Guide; (2) determining ease in navigating through the website; (3) developing

recommendations to improve the Guide; and (4) recommending outreach strategies to increase the utilization of the Guide.

All interviews were completed in January 2004 and a draft report was presented to the Nursing Home Performance Evaluation Guide Steering Committee for review and comment. The Lewin Group presented the final report to the Commissioners during the April 15, 2004 meeting. The Nursing Home Report Card Steering Committee is in the process of prioritizing the recommendations.

Nursing Home Patient Satisfaction Survey: The Commission also contracted for the development of a nursing home patient satisfaction survey or the recommendation of an existing tool that provides information for consumers that can be integrated into the Maryland Nursing Home Performance Evaluation Guide by: (a) reviewing and summarizing existing nursing home satisfaction surveys and implementation processes developed by the federal government, state agencies, other public organizations and private entities or organizations; (b) discussing the cost of administration for each approach; (c) identifying the strengths and weaknesses of the various approaches and indicating whether a similar approach is feasible in Maryland; (d) designing or modifying a survey tool; and (e) proposing a plan for administering the tool including estimated implementation costs and timelines.

A report that included a review of the literature and interviews with various States was presented to the Nursing Home Report Card Steering Committee during their January 2004 meeting for review and comment. The Nursing Home Performance Evaluation Guide Steering Committee met on March 26, 2004 and recommended that we proceed with the self-administered family satisfaction survey and also pursue a pilot project in collaboration with AHRQ to pilot the Nursing CAHPS tool for resident satisfaction.

The RFP for the family satisfaction survey has been developed and should be approved for release in October. MHCC is also working with AHRQ to test quality of life questions for the resident satisfaction survey and expects to participate in a two phase testing project that will begin in October 2004.

Nursing Home Patient Safety: The Steering Committee began discussion of nursing home patient safety measures that are appropriate for public reporting. The Committee was presented with an overview of the literature and activities from other states as well as a list of ten common patient safety measures. The Steering Committee agreed that we should begin with reporting health care facility-acquired infections and staffing as two indicators of safety.

Hospital Report Card

Chapter 657 (HB 705) of 1999 requires the Commission to develop a performance report on hospitals. The required progress report was forwarded to the General Assembly. The Commission also contracted with the Delmarva Foundation, in partnership with Abt Associates, to: (1) analyze hospital data to develop appropriate indicators for inclusion in the Hospital Performance Evaluation Guide, and (2) design and execute a consumer-oriented website for the Guide. The initial version of the Hospital Performance Evaluation Guide was unveiled on January 31, 2002.

A new edition of the Hospital Guide was released during a press conference held on May 16, 2003. The revised Guide included quality of care information specific to the treatment and prevention of congestive heart failure and community acquired pneumonia including individual hospital rates, the state average, and the highest rate achieved by a hospital for each of the

measures. The first sets of conditions were selected from the Joint Commission on Accreditation of Healthcare Organization's (JCAHO's) ORYX initiative, which collects quality of care information from hospitals in a method designed to permit rigorous comparisons using standardized evidence-based measures. The quality measures data were updated in June 2004 to include information from the 3rd and 4th quarter 2003. During this update, the time period for administering an antibiotic for pneumonia within a timely manner was reduced from 8 hours to 4 hours. Additionally, the percent of patients receiving the recommended pneumococcal vaccination prior to discharge was added to the site.

The Hospital Guide continues to feature structural (descriptive) information and the frequency, risk-adjusted length-of-stay, and risk-adjusted readmissions rates for 33 high volume hospital procedures. DRG data were updated to include admissions occurring between December 1, 2001 and November 30, 2002 and were posted on the Website in November 2003. MHCC staff is in the process of preparing for the November 2004 release of the data.

New Core Measures: The MHCC Commissioners approved the release of a call for public comments regarding MHCC's intent to collect JCAHO's acute myocardial infarction (AMI) measures and to investigate obstetrical measures that may be suitable for public reporting. Public comments were received from July 1, 2003 through July 11, 2003. There were no comments submitted that precluded proceeding with the collection of the measures; therefore, hospitals were instructed to begin collection of AMI data effective October 1, 2003. The 4th Quarter 2003 AMI pilot data was provided to the hospitals for review on June 7, 2004. The Hospital Performance Evaluation Guide Steering committee met in July 2004 and determined that six new AMI measures will be publicly reported beginning in December 2004.

Obstetrics Measures: The Commission also convened an Obstetrics Workgroup to examine potential structure, process, and outcome measures that are appropriate for public reporting via the Guide. The workgroup has met three times with the last meeting held on February 29, 2004. The initial set of 42 recommended elements was forwarded to the Hospital Performance Evaluation Guide Steering Committee and they were approved. The Commission's contractor, Delmarva Foundation, subsequently extracted the data for each of the elements using the HSCRC data base. The obstetrical data along with an obstetrical services survey was sent to each hospital for review. Several Web pages were then developed to display the data. A press conference was held on May 13, 2004 to roll out the revised Guide. MHCC and HSCRC Commissioners, representatives from DHMH, legislators, providers, and consumers participated in the event.

Redesign and Expansion of the Hospital Guide: On August 25, 2003, the Commission contracted with the Lewin Group to perform an evaluation of the hospital performance guide. The purpose of this procurement was to conduct interviews with consumers, primary care physicians, and emergency department physicians to test the Guide in real-time with respondents using computers. The objectives of the study included: (1) evaluating consumer/professional usage, preferences, and understanding of the Guide; (2) determining ease in navigating through the website; (3) developing recommendations to improve the Guide; and (4) recommending outreach strategies to increase the utilization of the Guide.

All interviews were completed in January 2004 and a draft report was presented to the Hospital Performance Evaluation Guide Steering Committee for review and comment. The Lewin Group presented the final report to the Commissioners during the April 15, 2004 meeting.

The Hospital Report Card Steering Committee met in July 2004 to begin the redesign process. During this meeting, the Committee approved four major areas of expansion including the following:

- Include composite measures of quality in the Guide;
- Explore the use of different symbols (other than the circles) to present quality information;
- Develop a hospital compare function for the site; and
- Include mortality data.

The Committee will have an all day retreat on October 12, 2004 at the University of Maryland in Baltimore County to discuss detailed design issues.

Patient Safety Public Reporting Workgroup: The first meeting of the Patient Safety Public Reporting Workgroup was held on February 13, 2004. The purpose of this workgroup will be to examine potential patient safety measures that are appropriate for public reporting via the Maryland Hospital Performance Evaluation Guide. During the first meeting, the workgroup was provided with a brief overview of the current Guide and a presentation on measures that are available or publicly reported by other states and organizations.

The workgroup met again on March 26, 2004 to consider specific patient safety measures. They agreed to report the LeapFrog measures that are related to the availability of intensivists in the ICU and computerized physician order entry systems. They also agreed to report as many of the AHRQ patient safety indicators as possible that can be supported by valid Maryland data. Staff will work with the HSCRC, AHRQ, and others to produce data reports for committee review. Lastly, the workgroup recommended that the JCAHO patient safety measures be reported when they become available by either linking to the JCAHO report or adding the data to the Maryland Guide directly.

Patient Satisfaction Project: MHCC participated in a three-state hospital public reporting pilot project initiated by CMS. The Hospital Report Card Steering Committee served as the steering committee for the pilot. The Committee serves as the primary vehicle for obtaining input and consensus prior to initiating the state specific activities.

As a part of the pilot, hospitals from the three states participated in a patient satisfaction survey. Information from this survey is confidential. The draft survey was developed by AHRQ and draws upon seven surveys submitted by vendors, a review of the literature, and earlier CAHPS work. The pilot project began with a public call for measures in October 2002. The actual survey process began the first week of June 2003 and concluded in August 2003. The survey data were analyzed in December 2003. The final instrument was released by CMS for review and public comment in February 2004.

The Maryland Performance Evaluation Guide Steering Committee received a briefing on the pilot results during the January 27, 2004 meeting and agreed that Maryland should pursue the use of the tool to collect patient satisfaction data for the *Maryland Hospital Performance Evaluation Guide*. MHCC staff then met with representatives of CMS and AHRQ to discuss an additional pilot of the tool that will take place this summer. A proposal with a complete study design was submitted to AHRQ on April 6, 2004 to request permission to use the HCAHPS tool.

MHCC received approval to use the revised HCAHPS tool in another pilot that will begin September 15, 2004. The results will be used to address implementation issues related to public reporting of satisfaction data for the state.

Other Activities: The Facility Quality and Performance Division is also participating in the planning process for a new HSCRC Quality Initiative designed to evaluate and recommend a system to provide hospitals with rewards and/or incentives for high quality care. Staff attends the HSCRC Quality Initiative Steering Committee meetings on an ongoing basis. The draft report of the HSCRC Steering Committee was also presented to the Hospital Performance Evaluation Guide Steering Committee on January 27, 2004 for review and comment. HSCRC is in the process of selecting members to serve on various workgroups. MHCC staff has been involved with the selection process.

Ambulatory Surgery Facility Report Card

Chapter 657 (HB 705) of 1999 also requires the Commission to develop a performance report for Ambulatory Surgery Facilities (ASFs). The Commission developed a web-based report that was also released on May 16, 2003. The 2003 data are now available and will be added to the site within the next month.

The website contains structural (descriptive) facility information including the jurisdiction, accreditation status, and the number and type of procedures performed in the past year. The site will also include several consumer resources.

An ASF Steering Committee was convened to guide the development of the report and will consist of representatives from a multi-specialty facility, a large single specialty facility, an office based facility, a hospital based facility, and a consumer representative. An exploratory meeting was held with a subset of this group in January 2003. Subsequently, the Steering Committee provided input on several of the proposed web pages including a consumer checklist, glossary, and list of resources.

HMO Quality and Performance

Distribution of HMO Publications

Distribution of 2003 HMO Publications

Cumulative distribution: Publications released 9/29/03	9/29/03- 8/31/04	
	Paper	Electronic Web
Measuring the Quality of Maryland HMOs and POS Plans: 2003 Consumer Guide (25,000 printed)	19,466	Interactive version Visitor sessions = 2,450
		PDF version Visitor sessions = 2,979
2003 Comprehensive Performance Report: Commercial HMOs & Their POS Plans in Maryland (700 printed)	448	Visitor sessions = 1,630
Measuring the Quality of Maryland HMOs and POS Plans: 2003 State Employee Guide— 60,000 printed and distributed during open enrollment		

**7th Annual Policy Report (2003 Report Series) –
Released January 2004; distribution continues until January 2005**

Maryland Commercial HMOs & POS Plans: Policy Issues (1,000 printed)	713	Visitor Sessions = 605
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Distribution of Publications: Distribution during the summer months remained sporadic with only occasional consumer requests. With staff efforts fully committed to report development activities, outreach to employers and organizations focused on notifying these contacts of pending release of the new publication.

Division staff prepared for fall distribution by completing various support activities. Cover letters have been written to include with mailings to various audiences. Staff has prepared distribution/display boxes for the HMO materials that libraries have requested, and updated several contact databases used for large mailings. Mailing labels are ready to go as soon as publications come from the printer. Public libraries continue to send requests in response to a solicitation for orders sent mid-summer. The Maryland Insurance Administration has again requested quantities to make available to consumers during its community outreach engagements. Preparations for mass distribution will allow shipments to begin shortly after publications come from the printer

Distribution of the 2003 series of HMO publications is nearly finished. This month's totals are very close to final counts for the year, since new reports comprising the 2004 series of publications will be released on September 27th.

The HMO Quality & Performance Division continues to adjust its use of electronic publications. Visitors to the MHCC website will no longer have the option of choosing a dynamic version of the *Consumer Guide* when the new reports are posted. With fewer plans for consumers to select from, navigating through the report has become less cumbersome, making the associated design and production costs unwarranted.

2004 Performance Reporting: HEDIS Audit and CAHPS Survey

HEDIS Audit Activities: HealthcareData.com (HDC), our contractor for the HEDIS audit, has completed all deliverables for the 2004 audit season. Remaining deliverables completed during the summer included a summary report highlighting prominent details from the recently completed audit and an audit evaluation report that provided insight about issues encountered in 2004.

Analysis of data reported by HDC led to a series of information requests by HMO Quality and Performance staff. Throughout the summer months, staff worked with the audit vendor and health plans, and consulted with NCQA to resolve data issues that surfaced from the analysis. Several lessons learned from this undertaking have culminated in the integration of new validation procedures for implementation in future audits. Nearly all issues achieved a satisfactory conclusion. One issue; however, could not be fully resolved though staff allowed additional time before finalizing the content of the *Consumer Guide*.

Consumer Assessment of Health Plan Study (CAHPS Survey): Synovate, the CAHPS vendor, completed the final deliverable of the contract in July. Plans and MHCC received reports

detailing results for the survey fielded in spring 2004. This last activity is the final deliverable required in the current contract, which will expire this fall. Staff anticipates using analyses on Emergency Department utilization presented in the final report in the Policy Issues report scheduled for release in January 2005.

Report Development—2004 Report Series

Content for two of three HMO reports released each fall has been finalized. Procurement activities by the Department of Budget and Management for employee benefit contracts have been ongoing this summer. Division staff will not be advised of the final decision regarding contract awards until the Board of Public Works grants contract approval. Staff anticipates that the Department of Management and Budget will issue notification on September 8th. Due to the delay in information, work proceeded on only limited sections of the *State Employee Guide*. Design work normally completed by this time period will begin immediately after data extracts can be performed. The vendors involved with this project have made several adjustments in their schedules and, when feasible, will continue to make adjustments to have the publication completed by the September press conference. The public release may not be possible; however, due to this late notification.

The design and layout for the *Consumer Guide* has been completed after several delays to allow for data corrections. The third report in the series, *Comprehensive Performance Report: Commercial HMOs & Their POS Plans in Maryland*, has received updated reference material for nearly all background sections of the report. Sections not updated with new studies or recommendations were not changed if, for example, the scientific evidence or public health policy behind the measure has not changed.

Formal release of the consumer-oriented report *Measuring the Quality of Maryland HMOs and POS Plans: 2004 Consumer Guide* will take place September 27th at the fall press conference. This year's press conference will be held at the Health Sciences Facility Building II of the University of Maryland, Baltimore campus. This is the third year the event will take place at this location.

Procurement -- Printing

The printing specifications and request for bids to print *Measuring the Quality of Maryland HMOs and POS Plans: 2003 Consumer Guide* were released for competitive bid in September.

The *Employee Guide* and *Comprehensive Report* are being produced by separate printers. The *Employee Guide* will likely be distributed later than normal due to benefit changes impacting production of enrollment materials.

HEALTH RESOURCES

Certificate of Need

During July 2004, Staff issued thirty-three determinations of non-coverage by Certificate of Need (CON) review; four of these determinations related to proposed capital expenditures that did not reach the \$1.6 million review threshold: Shady Grove Adventist Hospital in Montgomery County for an \$800,000 project to establish a medically-based fitness center in space in a medical office building near the hospital campus; Atlantic General Hospital in Wicomico County for a \$898,250 project to expand the Women's Imaging Center at the hospital; Greater Baltimore Medical Center

in Baltimore County for a \$1,422,960 project to renovate the existing Radiology Department at the hospital; and University Specialty Hospital in Baltimore City for a \$402,350 project to upgrade restrooms throughout the facility in order to meet the requirements of the Americans with Disabilities Act. Each of these determinations related to hospitals' projects under consideration for inclusion in the package of legislative bond bills that the Association of Maryland Hospitals and Health Systems (MHA) will submit to the General Assembly during its 2005 session.

Determinations of non-coverage by CON review were also issued to Ruxton Health of Denton in Caroline County for the permanent relinquishment of five of ten temporary delicensed beds for a total of 105 comprehensive care facility (CCF) beds; The Pines of Talbot County for the relicensure of fourteen temporarily delicensed beds for a total of 195 CCF beds; FutureCare Cherrywood of Baltimore County for the relicensure of three of six temporarily delicensed beds and for the permanent relinquishment of the remaining three of those six temporarily delicensed beds for a total of 170 CCF beds; and Corsica Hills of Queen Anne's County for the relicensure of seven temporarily delicensed beds for a total of 162 CCF beds.

In addition, the following facilities received determinations of non-coverage by CON review: Multi-Medical Center of Baltimore County received a determination of non-coverage by CON review for the relicensure of six temporarily delicensed beds for a total of 118 CCF beds; Caton Manor of Baltimore City for the relicensure of five temporarily delicensed beds for a total of 168 beds; Knollwood Center of Anne Arundel County for the relicensure of twelve temporarily delicensed beds for a total of 87 CCF beds; Ruxton Health of Denton in Caroline County for the relicensure of five of ten temporarily delicensed beds for a total of 105 CCF beds; Salisbury Center of Wicomico County for the relicensure of five temporarily delicensed beds for a total of 330 CCF beds; Clearview Nursing Home of Washington County for the temporary delicensure of four CCF beds, taking the facility from 49 to 45 beds effective August 15, 2004; Berlin Nursing and Rehabilitation Center of Worcester County for the permanent relinquishment of 22 temporarily delicensed beds for a total of 192 CCF beds and for the temporary delicensure of twelve CCF beds taking the facility from 192 to 180 beds effective July 24, 2004; Cuppett and Weeks Nursing Home of Garrett County for the permanent relinquishment of ten temporarily delicensed beds for a total of 100 CCF beds and for the temporary delicensure of ten comprehensive care beds taking the facility from 100 to 90 CCF beds effective August 10, 2004; Dennett Road Manor, Inc. of Garrett County for the temporary delicensure of ten comprehensive care beds, taking the facility from 100 to 90 CCF beds effective July 29, 2004; Millenium Health and Rehabilitation Center of Northwest in the City of Baltimore for the temporary delicensure of four comprehensive care beds taking the facility from 91 to 87 beds effective August 1, 2004; and to Bayview Transitional Care Unity in Baltimore City for the temporary delicensure of the 49-bed sub-acute unit at the Johns Hopkins Bayview Medical Center effective on July 1, 2004.

Snowden River Surgery Center, LLC of Howard County received confirmation that Certificate of Need review is not required for the establishment of an ambulatory surgery center with one operating room to be located in Ellicott City. The following providers received confirmation that Certificate of Need review is not required for the establishment of an ambulatory surgery center with one non-sterile procedure room: American Access Care of Baltimore, Inc. of Baltimore County to be located in Towson; Plastic Surgery Specialists, P.C. of Anne Arundel to be located in Gambrills; Reconstructive Foot and Ankle Institute, LLC in Washington County to be located in Hagerstown; Hotchkiss Ambulatory Surgery Center in Charles County to be located in Waldorf; and Allegeny Center for Cosmetic and Reconstructive Surgery of Frederick County to be located in Frederick.

Staff also issued determinations of non-coverage by CON review to The Cosmetic Surgicenter of Maryland, LLC of Baltimore County for the establishment of an ambulatory surgery center with one operating room and one non-sterile procedure room to be located in Towson; and to Galleria Surgery Center of Washington County for the establishment of an ambulatory surgery center with one operating room and one non-sterile procedure room to be located in Hagerstown.

The A.F. Witsitt Center of Kent County also received a determination of non-coverage by CON review for the addition of two Intermediate Care Facility (ICF) beds for a total of twenty ICF beds and four detoxification beds.

Staff Builders Home Health Care (Tender Loving Care) received a determination of non-coverage by CON review for the acquisition of Staff Buildings Home Health Care, d/b/a Tender Loving Care and Staff Builders Services, Inc., d/b/a Tender Loving Care by TLC Holdings I Corporation for the service area including Baltimore, Harford, and Montgomery counties.

During August 2004, Staff issued nineteen determinations of non-coverage by Certificate of Need (CON) review. One determination involved a restructuring of the Adventist Rehabilitation Hospital of Maryland, LLC (formerly Kessler-Adventist Rehabilitation Hospital) from a limited liability company to a corporation.

The following applicants received determinations of non-coverage by CON review for proposed capital expenditure projects that were under the \$1.6 million review threshold: North Arundel Hospital of Anne Arundel County for a \$1,360,000 project for the renovation of the existing inpatient psychiatric unit and partial hospitalization program space; Good Samaritan Hospital in Baltimore City for a \$1,121,000 project for the renovation of its 5 East Unit; and Frederick Memorial Hospital of Frederick County for a \$1,375,000 project for the renovation of an existing inpatient unit into a designated cancer unit. Each of these determinations also related to hospitals' projects under consideration for inclusion in the package of legislative bond bills that the Association of Maryland Hospitals and Health Systems (MHA) will submit to the General Assembly during its 2005 session.

The following hospitals received determinations of non-coverage by CON review for capital expenditure projects over the review threshold eligible for determination of non-coverage because they pledged not to apply for a rate increase related to the project: Northwest Hospital Center in Baltimore County for a \$4,424,638 project to relocate and update the hospital's intensive care unit; Mt. Washington Pediatric Hospital in the City of Baltimore for a \$2,000,000 project to renovate an existing unit and support space at the hospital; St. Joseph's Medical Center in Baltimore City for a \$3,700,000 project for the construction of a new medical office building to house a new Radiation Oncology Center; and Union Memorial Hospital in the City of Baltimore for a \$3,800,000 project for renovations to the hospital's emergency department. These determinations related to hospitals' projects under consideration for inclusion in the MHA bond program as well.

Staff also issued determinations of non-coverage by CON review to Villa St. Michael Nursing and Rehabilitation Center in Baltimore City for the relicensure of 64 temporarily delicensed beds at the facility as follows — twelve beds on March 12, 2005, 25 beds on May 18, 2005, and the remaining 27 beds on July 18, 2005; to Millenium Health and Rehabilitation Center of Franklin Square in Baltimore City for the temporary delicensure of fourteen comprehensive care facility beds, taking the facility from 198 to 184 beds; Salisbury Center of Wicomico County for the permanent relinquishment of 22 temporarily delicensed comprehensive care beds, for a total of 305 beds at the facility; Kensington Nursing and Rehabilitation Center of Montgomery County

for the relinquishment of 25 of 37 temporarily delicensed beds and for the relicensure of 12 of those 37 temporarily delicensed beds for a total of 140 beds; Joseph D. Brandenburg Center in Cumberland, Allegany County, for the permanent reduction of fifteen beds for a total of 140 beds; Holly Center in Salisbury, Wicomico County, for the permanent reduction of 45 beds for a total of 150 beds; and Rosewood Center of Owings Mills in Baltimore County for the permanent reduction of 18 beds for a total of 257 beds; and Maryland Masonic Homes of Baltimore County for an increase of nine comprehensive care beds for a total of 97 comprehensive care beds.

Two determinations of non-coverage by Certificate of Need (CON) review involving office-based ambulatory surgical capacity were made in August. They were for Eye Surgical Center Associates of Baltimore located in Baltimore County for the addition of gynecological services at its center; and York Green Surgery Center, LLC in Baltimore County for the establishment of an ambulatory surgery center with one operating room and one procedure room to be located in Lutherville.

Staff continues the process of reviewing and analyzing applications from Holy Cross Hospital, Southern Maryland Hospital Center, and Suburban Hospital for the establishment of a cardiac surgery and percutaneous coronary intervention service in the Metropolitan Washington area.

Acute and Ambulatory Care Services

Proposed changes to COMAR 10.24.12, the State Health Plan for Acute Hospital Inpatient Obstetric Services, have been posted on the Commission's website for informal public comment. The Plan changes will be presented to the Commission as proposed permanent regulations at the Commission's October 19, 2004 meeting. **Comments are due by Monday, October 4, 2004** in order to be considered for the October Commission meeting.

The Commission released the ***Annual Report on FY 2005 Licensed Acute Care Hospital Bed Capacity***, in July, which reflects Maryland's acute general hospitals' new licensed acute care bed capacity effective July 1, 2004. The annual process of designating each hospital's licensed capacity, based on 140% of the previous year's average daily census, is a coordinated effort by the Office of Health Care Quality, the HSCRC, and the Maryland Health Care Commission, including the participation of all acute care hospitals in the state. The licensed capacity shown in the report represents Maryland's official acute care hospital bed inventory. New in the report this year is an inventory of emergency department treatment capacity, an inventory of critical care beds, and an inventory of self-reported total available physical acute care capacity.

The third annual report on ***Maryland Hospital Obstetric Services: Trends and 2008 Utilization Forecast*** has been posted on the Commission's website, and is being mailed to all Maryland acute general hospitals. This report updates information prepared by the Commission last year on trends in the population of females between ages 15 and 44, trends in births and birth projections, and trends in hospital utilization and reimbursement.

Holy Cross Hospital submits monthly reports to the Commission on the status of its construction project pursuant to the approval of the modification to the hospital's Certificate of Need at the Commission's March 2004 meeting. The purpose of these reports is to advise the Commission about any potential changes to the terms of the modified CON, including changes in physical plant design, construction schedule, capital costs, and financing mechanisms. The hospital's August and September update reports state that no changes are necessary to the project cost, the

design or the financing of this project. The hospital requested extensions of the performance requirements for this project, which were approved by the Executive Director in August.

Long Term Care and Mental Health Services

Staff from the Long Term Care Division attended a series of Long Term Care Stakeholders meetings held by Medicaid on July 26, 27, and 28. The Department's long term care initiative involves the development of a Community Choice program to expand the availability of home and community-based services. It is anticipated that Community Choice will serve approximately 70,000 persons who are:

- Age 65 and over, or
- Enrolled in Medicare, or
- Living in nursing homes or chronic hospitals, or
- Qualified for a nursing home or chronic hospital level of care including people currently receiving community based long term care services such as Medical Day Care, Older Adults waiver, and the Living at Home Waiver, or
- Others living in the community who qualify for a nursing home level of care.

These meetings were an opportunity for the Medicaid program to get input from affected stakeholders prior to the development of a waiver application. More meetings are scheduled for September after a draft waiver application is prepared.

Staff conducted a conference call on July 21st with consultants at Social and Scientific Systems and Mathematica Policy Research who are working on the development of various approaches to determination of nursing home bed need. Trend data on the use of adult day care and assisted living were prepared and shared with them for use in the model development.

The report entitled *Nursing Home Occupancy Rates and Utilization by Payment Source: Maryland, Fiscal Year 2002* was printed and distributed to all of the nursing homes statewide. This publication is also available on the Commission's website.

Staff of the Long Term Care Division will attend the Assisted Living Forum on September 8th. Discussion focuses on the development of training for assisted living managers, assessment tools, and quality standards

Specialized Health Care Services

The State Health Plan for Cardiac Surgery and Percutaneous Coronary Intervention (PCI) Services (COMAR 10.24.17) requires a hospital receiving a primary PCI waiver from the Commission to agree to collect and report complete and accurate demographic, clinical, process, and outcome data for primary PCI patients on a schedule and in a format specified by the Commission. The Commission established the Primary PCI Data Work Group to develop recommendations related to the collection and reporting of data required by COMAR 10.24.17. At conference-call meetings on July 28th and August 20th, the Work Group discussed a uniform data set to monitor outcomes of care for patients with ST-segment elevation myocardial infarction; definitions of the necessary data elements; and privacy requirements of the Health Insurance Portability and Accountability Act (HIPAA) as they relate to the collection of certain

data elements. The Work Group will hold its third meeting by conference call on September 15, 2004.

At the Commission's meeting on September 14th, the staff will recommend that the Commission amend its regulations governing the reporting of data by hospitals (COMAR 10.24.02). The proposed action will assure that data needed by the Commission to perform its duties are collected and reported uniformly by hospitals. The recommended amendments also include several technical corrections to the existing regulations.